VZCZCXRO4558 PP RUEHBC RUEHDE RUEHDIR RUEHKUK DE RUEHKU #0015/01 0040938 ZNY CCCCC ZZH P 040938Z JAN 08 FM AMEMBASSY KUWAIT TO RUEHC/SECSTATE WASHDC PRIORITY 0514 INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE PRIORITY RUCNIRA/IRAN COLLECTIVE PRIORITY RUEHGB/AMEMBASSY BAGHDAD PRIORITY 1104 RHEHAAA/WHITE HOUSE WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEHC/SECSTATE WASHDC PRIORITY 0515 RUEKJCS/SECDEF WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KUWAIT 000015

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E.O. 12958: DECL: 2017

TAGS: <u>PREL PGOV PBTS KU IZ</u> SUBJECT: KUWAIT MFA U/S ON KUWAITI MILITARY INCIDENT, IRAQI

BORDER ISSUES

REF: A. KUWAIT 1655 ¶B. BAGHDAD 4136

Classified By: CDA Misenheimer for reasons 1.4 b and d

Summary

11. (C) In a December 31 CDA call on MFA U/S Al-Jarallah, the U/S reviewed preparation for the January 11-12 POTUS visit (reported septel) and discussed relevant Kuwait-Iraq border issues. He said that he urged the Interior Ministry to allow MNF-I salvage operations to resume in Khawr Abdallah Waterway. He added that fuel deliveries have now commenced from Kuwait to Iraq and that the GOK is favorable to increased Kuwait-Iraq trade exchanges. He deferred to the Interior Ministry regarding the opening of a border crossing. End Summary.

Support for Continued Salvage Efforts in Khawr Abdallah Waterway

 $\underline{\ \ }$  (C) MFA U/S Khaled Suliman Al-Jarallah told CDA in a meeting on December 31 that he was aware of the Embassy's diplomatic note regarding a December 18 (Ref C) incident in which the Kuwaiti military forced two MNF-I contracted vessels to hastily depart their anchored positions and cease salvage efforts in the Khawr Abdallah waterway. CDA reiterated the importance and urgency of the matter, and requested permission for the team to retrieve its salvage equipment and finish the job. CDA also highlighted the need for consultation and cooperation between Iraq and Kuwait to facilitate such maritime salvage operations, and offered U.S. assistance in this regard as appropriate. In response, Jarallah said that he raised the matter with the Interior Ministry and requested that MNF-I be allowed to continue the salvage operations. He stressed his concern that the waterway be cleared and urged continued Embassy contact with the Ministry of Interior to push the matter.

Kuwaiti Fuel Deliveries to Iraq

13. (C) Jarallah said that since November 20, when CDA requested MFA's assistance to urge contracted fuel deliveries to Iraq to proceed, he met with senior officials at Kuwait Petroleum Corporation (KPC) and Kuwait National Petroleum Company (KNPC). According to Jarallah, both companies pledged to resolve disputes and delays in sending fuel to Iraq's SOMO. Fuel deliveries finally commenced in late December, ending a hiatus of over a year.

## Increased Kuwait-Iraq Trade

¶4. (C) In response to CDA's request for the lifting of barriers to Iraqi exports to Kuwait, Jarallah said that Iraqi President Talabani, in his November visit to Kuwait, also pushed for increased trade. Jarallah said that Kuwait has the right to impose import restrictions in the interest of health and safety, but is ready to trade with Iraq. He added that the GOK has offered to provide assistance to the Iraqis in terms of building processing capacity at the border and ensuring health standards and security. According to Jarallah, the GOK has provided a proposal for such development, and the GOI is currently reviewing its viability.

Border Crossing for Bucca

15. (C) Jarallah said that he raised with the Ministry of Interior previous Embassy requests to establish a new crossing on Kuwait's northern border near Camp Bucca detention center. He deferred to the Ministry of the Interior on the matter, but indicated that the GOK was leaning towards opening a crossing. To urge progress on this matter, CDA reiterated the U.S. offer to facilitate a border inspection trip for select GOK officials.

Ambassador-designate to Iraq?

 $\underline{\mathbf{1}}$ 6. (C) Jarallah said that if the President raises with the KUWAIT 00000015 002 OF 002

Amir the subject of sending a Kuwaiti Ambassador to Baghdad, he would likely receive "a positive answer." (Note: Major General (retired) Ali Al-Mo'min, of the MFA's Humanitarian Operations Center is the Kuwaiti Ambassador-designate to Baghdad).

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